

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 1/22/03

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AGENDA SECTION: CONSENT AGENDA	ORIGINATING DEPT: Public Works	ITEM NO. D-23
ITEM DESCRIPTION: Feasibility Report for Sanitary Sewer and Watermain to Serve the Cedar Park Subdivision Area, J9790		PREPARED BY: J. Loehr

This is the Feasibility Report for the construction of sanitary sewer and watermain to serve the Cedar Park Subdivision Area in a project described as follows:

Project No. M1-29, J9790**"Sanitary Sewer and Watermain Extension to Serve the Cedar Park Subdivision Area."**

The estimated construction costs and expense of this project are as follows:

Sanitary Sewer and Watermain	\$ 281,768
Service Connections	18,462
Restoration	74,570
Sub-Total	\$ 374,800
Engineering/Interest/Contingencies	112,440
Total Estimated Project Cost	\$ 487,240

The Cedar Park Subdivision extension project is included in the 2003 Capital Budget.

The Cedar Park Area is included in Orderly Annexation Agreement #3 between Marion Township and the City of Rochester. Annexation of the Cedar Park area will occur no sooner than January 1st of the year 5 years after a sanitary sewer and watermain extension project is substantially completed to serve the Area.

The project is proposed to be funded from Sewer and Water Connection Charges (Utility Connection Agreements), Sales Tax Revenue appropriated to the Water Quality Protection Program, RPU share for oversize watermain costs and Marion Road SE crossing, project cost transfers to J9598 Marion Trunkline Sanitary Sewer and J9604 SE Area Trunk Watermain, and future Watermain Connection Charges.

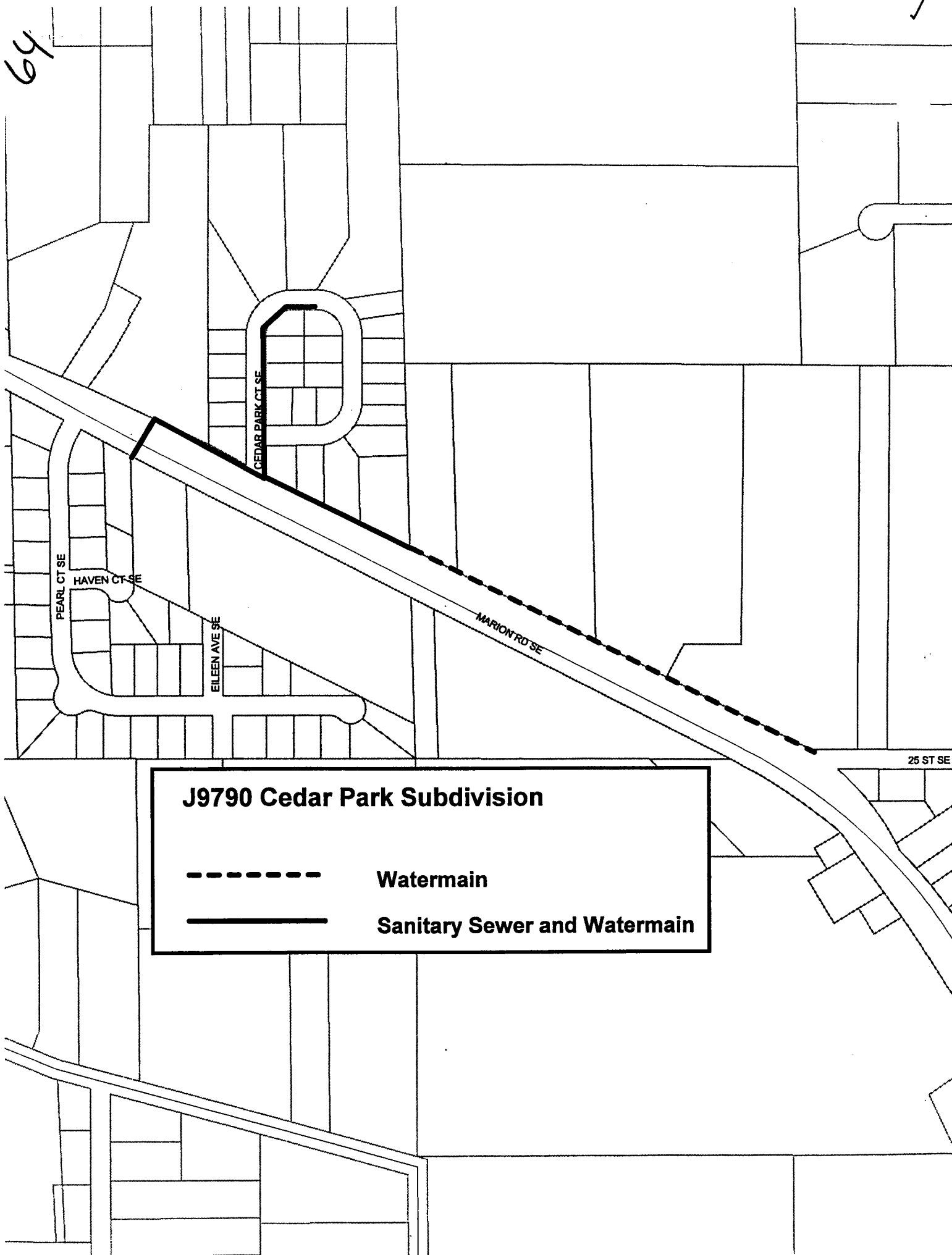
COUNCIL ACTION REQUESTED:

1. Adopt a resolution accepting the Feasibility Report.
2. Adopt a resolution establishing a Project Hearing for February 19, 2003.

Attachments: Feasibility Report
Location Map

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____

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J9790 Cedar Park Subdivision

Watermain

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Sanitary Sewer and Watermain

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REPORT ON THE FEASIBILITY OF PROPOSED
LOCAL IMPROVEMENT PROJECT

TO SERVE THE CEDAR PARK SUBD. AREA.

January 22, 2003

Honorable Mayor & Common Council
City of Rochester, Minnesota

A petition for sanitary sewer and watermain to serve the Cedar Park Subdivision Area was forwarded by the City Council at their meeting of June 29, 1999 to the Public Works Department for the preparation of a Feasibility Report. The petition was checked and found to be in proper form and was signed by 3 of 6 property owners of lots containing a single-family residential dwelling. That represents 50.0% of the single-family residential lots within the Cedar Park Subdivision Area that are eligible to participate in the City of Rochester, Water Quality Protection Program (WQPP) adopted by the City Council on December 21, 1999.

The WQPP Project Manager received a verbal request by one owner of developed commercial property located along Marion Road SE that they desire to have their property included in the Cedar Park project. With this request 4 of 7 property owners of lots containing a single-family residential dwelling or a developed commercial lot request a sewer and water extension project to serve the Cedar Park area. That represents 57.1% of the developed lots within the Cedar Park area that are eligible to participate in the WQPP.

In addition the proposed Cedar Park project can provide city sewer and water to 9 undeveloped single-family residential lots that are located in the Cedar Park area.

Feasibility Report

We report that the above referenced project is feasible and recommend its construction. The location of this project is within an area of existing single-family residential development and existing commercial development that currently lacks public sanitary sewer and watermain. A majority of the septic systems and wells within the Area were constructed prior to the State of Minnesota and Olmsted County having any requirements or standards for construction of septic systems and wells. The lots are typically under ½ acre in size and are unable to absorb the nitrates created from the septic systems. There is an increasing threat of contamination to the City of Rochester's ground water supply as the existing septic systems and wells begin to fail. This project would allow property owners of lots containing existing single-family residential dwellings and developed commercial lots to connect to public sanitary sewer and water systems rather than replacing their old systems when they fail. This project also allows the undeveloped single-family residential lots and undeveloped commercial lots to develop with public sewer and watermain

The costs of this project are proposed to be recovered through Sanitary Sewer and Watermain Connection Charges (Utility Connection Agreements), future charges to undeveloped land that is located adjacent to the project, RPU share for oversize watermain costs and Marion Road SE crossing, project cost transfers to J9598 Marion Road Trunkline Sanitary Sewer and J9604 SE Area Trunk Watermain, and Sales Tax Revenue appropriated to the City of Rochester, Water Quality Protection Program.

The proposed project consists of the installation of an 8-inch sanitary sewer lines, 8-inch and 12-inch watermain lines, and sanitary sewer and water service connections throughout the Cedar Park Subdivision Area.

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City sanitary sewer will be extended to a location approximately 200 feet south of the intersection of Marion Road SE and Pearl Court SE in the Spring of 2003. Sanitary sewer will be extended from that location to serve the Cedar Park area. A sanitary sewer crossing of Marion Road is required.

Trunk watermain is currently located at the intersection of 30th Avenue and Marion Road SE. Trunk watermain is scheduled to be extended from that location in the Spring of 2003 to serve the Cedar Park Area and other subdivisions in Marion Township that are located between 30th Avenue and the Cedar Park Subdivision area that have requested the extension of city sanitary sewer and watermain through the City of Rochester Water Quality Protection Program Area.

Applicable Connection Charge Rates and per Lot Caps

The Cedar park Subdivision Area petition was received on June 29, 1999. On August 1st of each year the Water Quality Protection Program rates and per lot caps were adjusted by the change in the Engineering News Record Construction Cost Index as measured in the Minneapolis/St. Paul area during the preceding 12-months, the Department of Public Works recommends that the sanitary sewer and watermain connection charges for this project be based on the connection charge rates and per lot caps in affect at the time the petition was received by the City as follows:

- Maximum sanitary sewer and water connection charge rate of \$66.30 per foot of frontage.
- Maximum sewer and water connection charge per lot cap for a developed lot that contains a habitable single family dwelling unit shall be as follows:
 - 1) maximum \$8,160 per lot for any developed lot 1/2 acre or less.
 - 2) \$8,160 per lot, plus \$0.19 per square foot for any developed lot greater than 1/2 acre up to 1-1/2 acre.
 - 3) maximum \$16,320 per lot for any developed lot 1-1/2 acre or larger.

The estimated construction costs and expenses of the project made without completed plans or survey are as follows:

Sanitary Sewer and Watermain		\$ 366,299
Sewer Service Connection Stub-Outs	\$750 per service x 16 services	\$ 12,000
Water Service Connection Stub-out	\$750 per service x 16 services	\$ 12,000
Restoration		\$ 96,941
Estimated Cost of the Project		\$ 487,240

The estimated project costs are proposed to be funded as follows:

Utility Connection Agreements	\$ 119,369
RPU Share for Oversize Watermain and Marion Road SE Crossing	\$ 55,543
Trunkline Sanitary Sewer Costs (Transfer to J9598)	\$ 26,323
Future Watermain Connection Charges	\$ 50,490
Trunk Watermain Costs (Transfer to J9604)	\$ 71,010
Sales Tax Revenue (see below)	\$ 164,505
Estimated Project Costs	\$ 487,240

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Amount of sales tax revenue required for the Project:

Sales Tax (Rate Cap and per Lot Cap)	\$ 154,005
Sales Tax (Sewer Service Stub-Out Allowances) 7 services x \$750/serv.	\$ 5,250
Sales Tax (Water Service Stub-Out Allowances) 7 services x \$750/serv.	\$ 5,250
Estimated Amount of Sales Tax Funding Required for Construction of Project	\$ 164,505
<u>Estimated additional sales tax revenue required for work on private property</u>	

Of the 15 lots within the project area 7 lots contain a single-family residential dwelling or an existing commercial structure. These lots are eligible for *Allowances* through the Water Quality Protection Program as follows:

Sewer Service Lateral	7 lots x \$1,000 per lot	\$ 7,000
Water Service Lateral	7 lots x \$1,000 per lot	\$ 7,000
Well Closure	7 lots x \$1,100 per lot	\$ 7,000
Septic Closure	7 lots x \$ 500 per lot	\$ 3,500
Estimated Amount of Sales Tax Revenue Required for <i>Allowances</i> for Work on Private Property		\$ 24,500

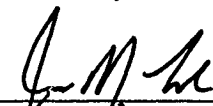
Estimated sales tax revenue required for construction of Project and *Allowances*

Estimated Amount Sales Tax Revenue for Construction of the Project	\$ 164,505
<u>Estimated Amount of Sales Tax Revenue Required for <i>Allowances</i></u>	\$ 24,500
Estimated Amount of Sales Tax Revenue Required for Construction of the Project and <i>Allowances</i> for Work on Private Property	\$ 189,005

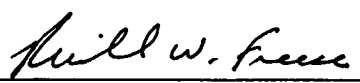
We recommend that the necessary funding to construct sanitary sewer, watermain and service connections in the Cedar Park Subdivision Area be done so in accordance with the City of Rochester's existing sanitary sewer and watermain connection charge policies and the Water Quality Protection Program. Property owners that desire to participate in the Water Quality Protection Program and the benefits contained therein, are required to:

1. Enter into a Utility Connection Agreement with the City within three (3) years of the date the City initiates the project.
2. Connect the existing single-family residential dwelling or existing developed commercial property to the public sewer and water systems within five (5) years of the date of project initiation.
3. Consent to annexation of their property consistent with the conditions of an Orderly Annexation Agreement between the City and Marion Township.

Submitted for your consideration:



James M. Loehr
Water Quality Protection Program
Project Manager



Richard W. Freese, P.E.
Director of Public Works
City Engineer

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BUDGET AND ASSESSMENT SCHEDULE
FOR CONSTRUCTION CONTRACT

Project No: M1-29
J No: 9790

Date (Orig.) 01/22/2003

Description: Sanitary Sewer & Watermain Extension to Serve the Cedar Park Subdivision Area

	Project Budget	Contract Cost	Final Cost
Construction			
<u>Sanitary Sewer & Watermain</u>	<u>\$ 281,768</u>		
<u>Service Connections</u>	<u>18,462</u>		
<u>Restoration</u>	<u>74,570</u>		
<u>Sub-Total</u>	<u>\$ 374,800</u>		
<u>Engineering/Interest/Contingency</u>	<u>112,440</u>		
<u>Total Construction & Expense</u>	<u>\$ 487,240</u>		
Cost Distribution			
<u>Anticipated Utility Connection Agreements</u>	<u>\$ 119,369</u>		
<u>RPU Share Oversize Watermain & Marion Road SE Watermain Crossing</u>	<u>\$ 55,543</u>		
<u>Transfer to J9598 Marion Road Trunkline</u>	<u>\$ 26,323</u>		
<u>Future watermain Connection Charges</u>	<u>\$ 50,490</u>		
<u>Transfer to J9604 SE Area Trunk Watermain</u>	<u>\$ 71,010</u>		
<u>Sales Tax Funding</u>	<u>\$ 164,505</u>		
TOTAL	<u>\$ 487,240</u>		

Make Initial Disbursement from P. I. R. Fund

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Item	Unit	Unit Price	Quantity	Amount				
Sanitary Sewer								
8" Sanitary Sewer	L.F.	\$ 28	2,025	\$ 56,700				
Sanitary Manhole	Each	\$ 2,000	9	\$ 18,000				
16" Steel Casing Jack & Bore	L.F.	\$ 150	75	\$ 11,250				
De-watering	L.F.	\$ 15	2,025	\$ 30,375	\$ 116,325.00			
Watermain								
20" Steel Casing Jack & Bore	L.F.	\$ 160	75	\$ 12,000				
12" Watermain	L.F.	\$ 35	2,575	\$ 90,125				
8" Watermain	L.F.	\$ 30	940	\$ 28,200				
6" Watermain	L.F.	\$ 30	126	\$ 3,780				
8" Gate Valves	Each	\$ 800	2	\$ 1,600				
12" Gate Valve	Each	\$ 1,300	3	\$ 3,900				
6" Gate Valve	Each	\$ 600	9	\$ 5,400				
Hydrant	Each	\$ 1,500	9	\$ 13,500				
Fittings	Pound	\$ 4	1,550	\$ 6,200	\$ 164,705.00			
Service Connections								
4" Sanitary Services	Each	\$ 600	16	\$ 9,600				
1" Water Service	Each	\$ 600	16	\$ 9,600	\$ 19,200.00			
Restoration								
4" Bituminous Paving	Ton	\$ 38	525	\$ 19,950				
8" Aggregate Base	C.Y.	\$ 18	550	\$ 9,900				
6" Breaker Run	C.Y.	\$ 18	410	\$ 7,380				
Driveway Culverts	Each	\$ 600	2	\$ 1,200				
Aggregate Material for Foundation	C.Y.	\$ 10	200	\$ 2,000				
Remove Bituminous Pavement	S.Y.	\$ 3	2,130	\$ 6,390				
Turf Establishment, Sod	S.Y.	\$ 4	6,000	\$ 24,000				
Turf Establishment, Seed	Acre	\$ 1,500	3	\$ 3,750	\$ 74,570.00			
				Sub-Total	\$ 374,800.00			
				E.I.&C. 30%	\$ 112,440.00			
				Total Estimated Project Cost	\$ 487,240.00			
Project Funding Sources								
	Utility Connection Agreements			\$ 119,369				
	Future Watermain Connection Charges			\$ 50,490		1500 feet x \$33.66 per foot		
	RPU Share Crossing & Oversize WM			\$ 55,543				
	Future WAC Transfer to J9604			\$ 71,010		2025 feet x \$60/ft) - (1500 feet x \$33.66/ft)		
	Future SAC Transfer to J9598			\$ 26,323		175 feet x \$37.74 + \$14,625 crossing		
				\$ 322,735		\$ 164,505		
	SAC & WAC Allowances							
		rate/acre	Acres					
	SAC	\$ 1,500	6	\$ 9,000				
	WAC	\$ 2,000	6	\$ 12,000				
				\$ 21,000		\$ 21,000		
	Allowances for Work on Private Property							
		Amount/Lot	No. of Lots					
	Sewer Lateral	\$ 1,000	7	\$ 7,000				
	Water Lateral	\$ 1,000	7	\$ 7,000				
	Well Closure	\$ 1,000	7	\$ 7,000				
	Septic Closure	\$ 500	7	\$ 3,500				
				\$ 24,500		\$ 24,500		
				Estimated Sales Tax Subsidy	\$ 210,005			
	Developed Lots	Undeveloped Lots	No. of Lots					
	7	9	16	Average per Lot Subsidy	\$ 13,125			
RPU Share	Item	Unit	Unit Price	Quantity	Amount			
Marion Road Crossing	20" Casing	L.F.	160	\$ 75	\$ 12,000			
	12" MJ	L.F.	35	\$ 75	\$ 2,625			
Oversize Watermain	12" WM	L.F.	2,575	\$ 8	\$ 20,600			
	12" GV & Box	Each	3	\$ 500	\$ 1,500			
	Fittings	Pound	1,500	\$ 4	\$ 6,000			
				RPU Sub-Total	\$ 42,725			
				E.I.&C. 30%	\$ 12,818			
				RPU Estimated Total	\$ 55,543			

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